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U.S. Support for a Terrorist Government 1. Support for a Terrorist Government STAT STAT

All the Way to the Bank

By Jeff Stein

EXCERPT

Still, there are many who wonder why there is all the hem and haw over Chile in official Washington. Putting aside, just for the moment, U.S. investment since the coup, one may legitimately wonder what other factors might cause Pinochet to be treated with kid gloves. Could it be that the loose ends of the U.S. covert legacy in Chile still thread through Washington like so many exposed electrical wires?

• Did the U.S. military participate in the coup? "Reports that we had advance knowledge of this coup are incorrect," Nixon press secretary Gerald Warren declared on September 13, 1973. Yet a Legion of Merit citation from the U.S. Marine Corps to Lieutenant Colonel Patrick J. Ryan, head of the U.S. Naval-Mission to Chile at the time, praises the officer for warning a U.S. Navy task force to stay clear of Chile on September 10 because its presence could complicate events during the coup. The late-Paul Jacobs obtained the citation while reporting on the murder of Charles Horman, a young American filmmaker, in the aftermath of the coup. According to a Chilean security officer who defected in 1975, "Charles Horman was killed because he knew too much. And this was done between the CIA and the local authorities." Horman had spent part of the last few days of his life with Lieuterant Colonel Patrick J. Ryan and Navy Captain Ray Davis, who signed Ryan's citation.

The Chilean embassy was targeted for a series of break-ins in 1972. According to an informant of the FBI, Bernard Barker. "was involved" in those break-ins. Author David Wise also established that the FBI had planted bugs in the embassy at the CIA's request. The complete story of the break-ins has never been uncovered.

• The story of ITT's offer to finance anti-Allende activities is well known. According to the CIA, the offers were turned down. Less well known is the story of Brazilian help in Allende's overthrow. According to a Washington Post story by Marlise Simons in 1975, the Brazilian Institute of Political, Economic, and Social Studies (IPES) advised Chilean businessmen in how to overthrow Allende, using the Goulart coup of 1964 तिन स्रोतिली the U.S. was instrumental) as a model. "The recipe exists, and you can bake the cake any time," a founder of IPES told Simons. "We saw how it worked in Brazil, and now again in Chile . . . A lot of money was put out to topple Allende." CIA covert action specialist David Phillips was recalled from Brazil in 1970 to take over the CIA's Chile Task Force.

 Michael Townley and the CIA: Those who have closely followed the Letelier case have long been intrigued by DINA agent Michael Townley's contacts with the CIA and American embassy officials in Santiago prior to the coup and his mission to kill Letelier. On two occasions in Miami, in 1970 and again in 1973, Townley called up the CIA station, told them he was returning to Chile, and-offered his services. The CIA went so far as to clear Townley for a recruitment pitch, but according to records the agency turned over to the court he was never hired. Back in Santiago during the Allende period, Townley soon became active with Patria y Libertad, a right-wing terrorist group which received some CIA funding and at the same time fostered friendships with embassy officials, particularly Fred Purdy, the U.S. consul_Townley was recruited by DINA after the coup and soon received orders to carry out missions on several continents. It was the period when DINA chief Contreras was organizing the

secret police of the "Southern Cone" dictatorships into Operation Condor, a worldwide assassination co-op. According to Senate Foreign Relations Committee files, when Condor began to set up a Miami office in 1975 Henry Kissinger objected to the efforts of some State Department officers to rebuke Chile publicly. Instead, "quiet" orders were given to Contreras to fold his tents. Later, as part of Condor, Contreras tried to enlist Paraguay to get Townley a visa to enter the U.S. on the Letelier hit mission, but the plan backfired. The reason it backfired, according to some accounts, is that U.S. ambassador George Landau queried thendeputy director of the CIA Vernon Walters and alarms went up. Beyond that, little is definitively known about Walter's subsequent actions in regard to Townley. What is known is that the FBI had pictures of Townley within a month of the Letelierassassination but was not able to connect the pictures to the name. Considering the above events and the close CIA-DINA relationship after the coup, why did it take so long? Investigators insist there was no effort on the CIA's part to stonewall them:

• CIA agents in the Pinochet junta: It is interesting to note that one of the principle Chilean negotiators in the Letelier case: was publishing magnate Hernan Cubillos, who became foreign minister in April 1978, within days of the expulsion of DINA agent Michael Townley to the U.S. Cubillos, according to documents submitted in camera to U. S. District Court in. connection with the ITT/Chile investigation, was a CIA agent_The CIA successfully kept names of other Chilean "assets" out of the Church committee's report. It is not out of the question that faint hearts. dealing with the Letelier case at the highest levels of the government would like to keep this Pandora's box firmly shut.

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